FLORENCE COPPER INC.



1575 W. Hunt Highway, Florence, Arizona 85132 USA

florencecopper.com

June 11, 2019 File No. 132473-003

ADEQ Water Quality Compliance Section Mail Code 5415B-1 1110 West Washington Street Phoenix, Arizona 85007

Attention: Mr. Tracy Bunch

Subject: Weekly Monitoring Report for Week Ending 06/01/2019

Florence Copper, Production Test Facility

Aquifer Protection Permit No. 106360, LTF 61845

Dear Mr. Bunch:

Florence Copper is submitting this report in accordance with Table 4.1-8 and Section 2.7.4.4 of the Production Test Facility Temporary Aquifer Protection Permit (APP) No. 106360.

In accordance with Table 4.1-8 of the APP, this report includes In-Situ Best Available Demonstrated Control Technology (BADCT) compliance monitoring for the PTF that is required to be reported on a weekly basis including:

- Recovered volume to injection volume;
- Inward hydraulic gradient; and
- Maximum injection pressure.

A map showing the location of the PTF injection, recovery, and observation wells is included as Figure 1.

Recovered Volume to Injection Volume

A summary of the injected and recovered volumes for the week 05/26/2019 to 06/01/2019 is included in Table 1. The total injected and recovered volumes for the PTF as a daily total are also presented on Figure 2. Recovery well R-09 was taken out of service on May 29 for reconditioning due to observation of gypsum (CaSO₄·2H₂O) in the well screen. Flows in the injection wells and recovery wells were adjusted to maintain hydraulic gradient.

During the reporting period no exceedance of the alert level was measured for recovered volume to injected volume. The alert level is the recovered volume shall exceed the injected volume.

Inward Hydraulic Gradient

Table 2 includes a summary of water levels in the recovery and observation well pairs. Hydrographs showing the water level elevation for each recovery well and observation well pair are included in Figure 3.



During the reporting period, there was no exceedance of the alert level for the inward hydraulic gradient. The alert level for the inward hydraulic gradient is that the water level elevation in the paired observation well must be a minimum of 1 foot higher than the paired recovery well.

Injection Pressure

A summary of the injection pressures during the reporting period is included as Table 3.

During the reporting period no alert levels were exceeded for injection pressure, the injection pressure limit for the injection wells is limited by the fracture gradient of 0.65 pounds per square inch (psi) per foot. For the PTF injection wells this pressure limit equates to 104 psi.

Please contact me at 520-374-3984 if you require any additional information.

Sincerely,

Florence Copper Inc.

Dan Johnson

Vice President - General Manager

Attachments:

Tables and Figures

cc: Marybeth Greenslade, ADEQ

Nancy Rumrill, United States Environmental Protection Agency

TABLES

Table 1. Injected and recovered volumes (gallons) for the week 05/26/2019 – 06/01/2019

| | | Daily | | | | |
|-------------|------|-----------|-------|----------|----------|----------|
| | | Injection | Daily | Recovery | Ratio | % |
| Date | Time | Flow | Flow | | PLS/Raff | Recovery |
| 5/26/2019 | 7:00 | 338800 | | 374800 | 1.11 | 111 |
| 5/27/2019 | 7:00 | 335400 | | 377300 | 1.12 | 112 |
| 5/28/2019 | 7:00 | 332800 | | 374600 | 1.13 | 113 |
| 5/29/2019 | 7:00 | 73600 | | 185900 | 2.53 | 253 |
| 5/30/2019 | 7:00 | 91900 | | 188900 | 2.06 | 206 |
| 5/31/2019 | 7:00 | 77400 | | 178900 | 2.31 | 231 |
| 6/1/2019 | 7:00 | 145200 | | 222100 | 1.53 | 153 |
| Weekly Aver | age | 199300 | | 271786 | 1.36 | 136 |

Table 2. Average daily water levels in the recovery and observation well pairs (amsl)

| Well Pairs | | | | | | | |
|------------|---------|---------|---------|---------|---------|---------|---------|
| Avg Elev | 5/26/19 | 5/27/19 | 5/28/19 | 5/29/19 | 5/30/19 | 5/31/19 | 6/1/19 |
| R-01 | 1236.00 | 1234.80 | 1234.14 | 1230.25 | 1228.06 | 1231.17 | 1233.32 |
| O-01 | 1239.87 | 1241.10 | 1239.42 | 1232.33 | 1232.01 | 1234.20 | 1236.36 |
| O-07 | 1239.93 | 1240.70 | 1239.61 | 1233.93 | 1233.43 | 1235.47 | 1237.50 |
| R-02 | 1226.17 | 1227.49 | 1222.83 | 1223.55 | 1222.15 | 1223.83 | 1223.45 |
| O-01 | 1239.87 | 1241.10 | 1239.42 | 1232.33 | 1232.01 | 1234.20 | 1236.36 |
| O-02 | 1239.94 | 1241.05 | 1239.64 | 1232.54 | 1232.01 | 1234.21 | 1235.97 |
| R-03 | 1230.90 | 1227.70 | 1231.94 | 1224.68 | 1224.91 | 1227.19 | 1223.27 |
| O-02 | 1239.94 | 1241.05 | 1239.64 | 1232.54 | 1232.01 | 1234.21 | 1235.97 |
| O-03 | 1241.76 | 1242.33 | 1241.87 | 1233.17 | 1233.06 | 1235.66 | 1236.64 |
| R-04 | 1209.77 | 1211.12 | 1212.86 | 1222.26 | 1223.41 | 1225.58 | 1225.20 |
| O-03 | 1241.76 | 1242.33 | 1241.87 | 1233.17 | 1233.06 | 1235.66 | 1236.64 |
| R-05 | 1231.87 | 1231.00 | 1230.48 | 1221.38 | 1219.28 | 1225.16 | 1219.46 |
| O-04 | 1239.67 | 1240.61 | 1239.38 | 1233.99 | 1233.64 | 1235.99 | 1237.47 |
| R-06 | 1218.22 | 1218.53 | 1214.94 | 1225.82 | 1225.42 | 1227.39 | 1229.82 |
| O-04 | 1239.67 | 1240.61 | 1239.38 | 1233.99 | 1233.64 | 1235.99 | 1237.47 |
| O-05 | 1239.19 | 1240.14 | 1238.97 | 1234.00 | 1233.34 | 1235.56 | 1237.41 |
| R-07 | 1236.18 | 1236.86 | 1236.65 | 1232.04 | 1231.04 | 1233.19 | 1235.35 |
| O-05 | 1239.19 | 1240.14 | 1238.97 | 1234.00 | 1233.34 | 1235.56 | 1237.41 |
| O-06 | 1238.62 | 1239.52 | 1238.48 | 1233.09 | 1232.39 | 1234.52 | 1236.57 |
| R-08 | 1226.58 | 1227.26 | 1226.01 | 1224.91 | 1223.64 | 1225.44 | 1226.94 |
| O-06 | 1238.62 | 1239.52 | 1238.48 | 1233.09 | 1232.39 | 1234.52 | 1236.57 |
| O-07 | 1239.93 | 1240.70 | 1239.61 | 1233.93 | 1233.43 | 1235.47 | 1237.50 |

Table 3. Injection well pressures (psi)

| | I-01 | | | I-02 | | | I-03 | | | I-04 | | |
|-----------|------|------|-------|------|------|------|------|------|------|------|------|------|
| Date | AVG | MIN | MAX | AVG | MIN | MAX | AVG | MIN | MAX | AVG | MIN | MAX |
| 5/26/2019 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5/27/2019 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5/28/2019 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5/29/2019 | 5.06 | 0.00 | 12.91 | 0.00 | 0.00 | 0.00 | 0.05 | 0.00 | 1.86 | 0.00 | 0.00 | 0.00 |
| 5/30/2019 | 2.55 | 0.00 | 11.73 | 0.00 | 0.00 | 0.00 | 0.03 | 0.00 | 2.50 | 0.00 | 0.00 | 0.00 |
| 5/31/2019 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 | 0.00 | 0.00 | 0.00 |
| 6/1/2019 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

FIGURES

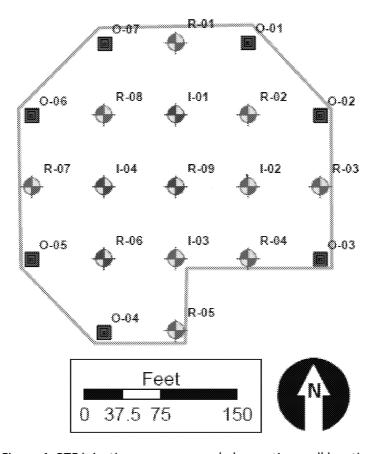


Figure 1. PTF injection, recovery, and observation well locations

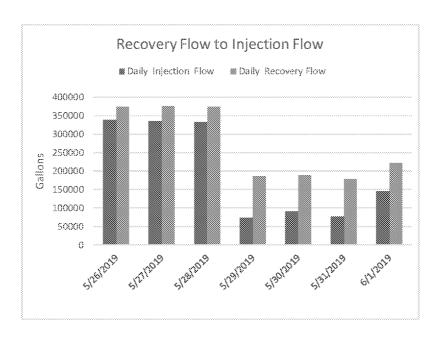


Figure 2. Recovered volume to injected volume

Figure 3

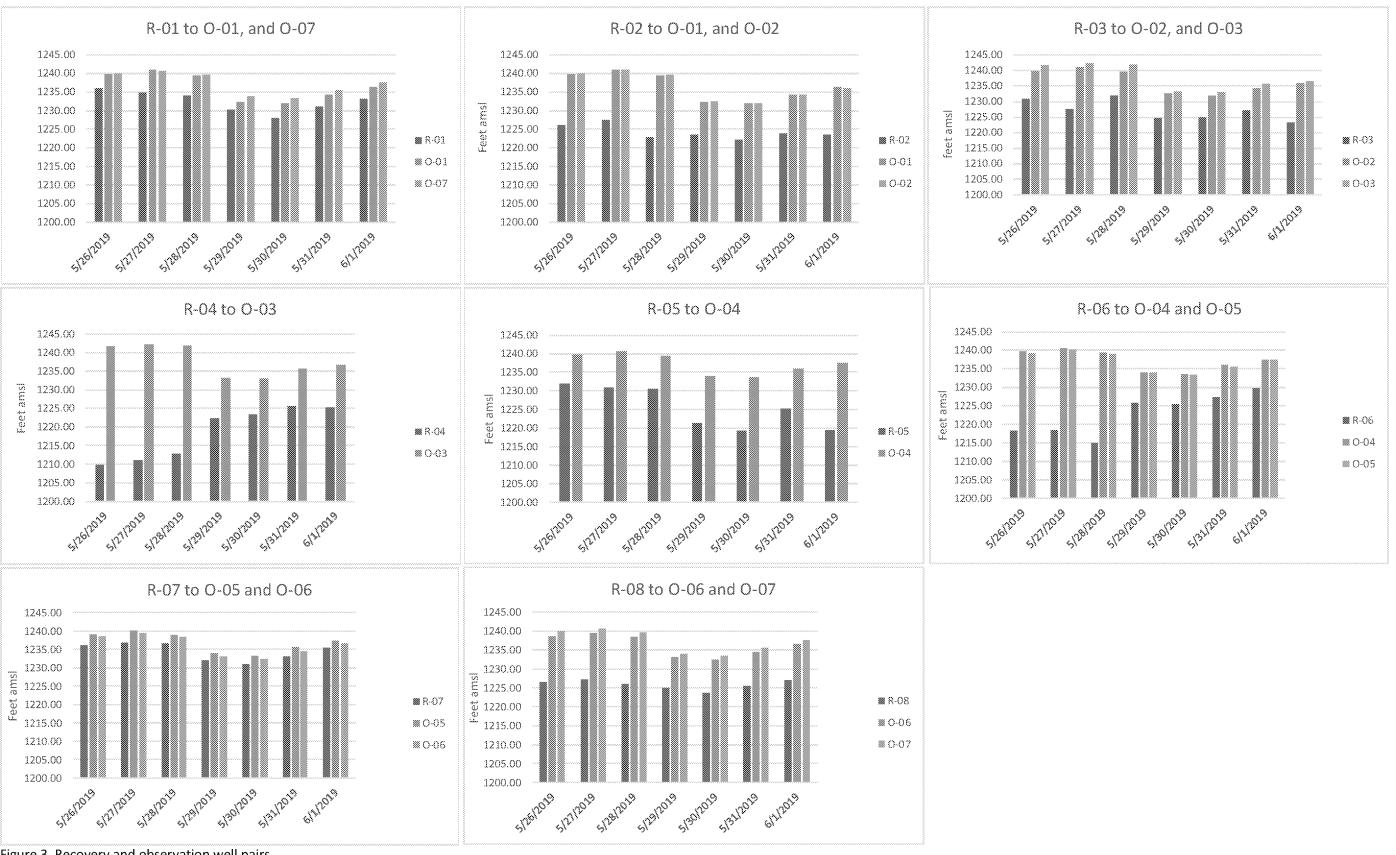


Figure 3. Recovery and observation well pairs